

**Attachment B** **CLEAN VERSION**  
**Application number: 09/534233**

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## **DETAILED DESCRIPTION OF THE INVENTION**

The present invention provides system and method for conducting an electronic financial asset deposit auction. In accordance with the present invention, a prospective lender/depositor, is more likely to discover a suitable match at more realistic terms and effectively than those he/she would have obtained by traditional ways. The system and method of the present invention offers to differentiate between a preference for risk or return for both lender/depositors and borrowers. For example, there are individuals who prefer higher risk than available from standard banking depositing facilities by accepting securities in exchange under certain terms. There are borrowers such as banks who from time to time may willing to pay to secure some critical funding requirements or shares to cover their open position overnight.

Accordingly, the bidder may define proposed terms of deposit in the bid application under various combinations such as period of deposit, type of deposit, type of payment schedule, deposit rate, securities in exchange and terms of exchange. A responsive bidder will bid by either matching these terms or better them to existing bids by other bidders.